

MINUTES
Educational Opportunity Fund
Board of Directors
April 8, 2002

Dr. Sang Jin Kim, Chairperson of the EOF Board of Directors called the meeting to order by welcoming all in attendance to the Doubletree Hotel & Executive Conference Center located in Somerset, New Jersey. Dr. Kim noted that the EOF Student Day and Senior Awards Luncheon is always a very special time for the EOF family because it gives us an opportunity to observe first hand the results of the hard work of our students and the EOF staff, faculty and others on campus who are there to help them reach the ultimate goal of graduation. He also announced that the meeting was being held in compliance with the Open Public Meetings Law.

Attendance

The Board members in attendance were Al Arce, James Avery, Kevin Collins, Wilma Harris, Ellsworth Havens, and Ernest Jolly. Michelle Softley, President of the New Jersey Educational Opportunity Fund Professional Association, Barb Ann Reed Sanders, from the Higher Education Student Assistance Authority, and several members of the New Jersey Educational Opportunity Fund Professional Association, Alliance of New Jersey Educational Opportunity Fund Students, and faculty members also attended the open town meeting. Commission on Higher Education staff in attendance included Glenn Lang, Janis Flanagan, James Sulton, Darlene McGilberry, Anthony Bullett and Audrey Bennerson.

Recognition of "EOF Champion" Award Recipients

The Board initiated the "EOF Champion" award last year to recognize the significant contributions provided by non-EOF faculty, administrators, and staff members to the success of EOF students. Each EOF campus program was asked to nominate one individual that exemplified the characteristics of an "EOF Champion". Forty-seven nominations were received, and thirty-three of the individuals attended the recognition ceremony. Two of the forty-seven nominations included college presidents Dr. Saul Fenster of the New Jersey Institute of Technology and Dr. Steven Rose of Passaic County Community College. A booklet that provides a brief synopsis of the 47 nominees was distributed to each champion and will be forwarded to institutional presidents with a letter thanking them for their support of the EOF Program.

Approval of the February 28, 2002 Minutes

Mr. Avery made a motion to approve the minutes of the February 28, 2002 telephone conference call meeting of the Board. The motion was seconded by Dr. Arce and unanimously approved.

Resolution 13:02 Expression of Appreciation to Ms. Carmen Miranda-Jones

Ms. Miranda-Jones served as a member of the EOF Board of Directors for nine years and although she was unable to attend the meeting she sent the Board a letter expressing her heartfelt appreciation for the Board's recognition. Ms. Harris made a motion to approve Resolution 13:02 that was seconded by Mr. Jolly and unanimously approved.

Resolution 14:02 Expression of Appreciation to Dr. William J. King

Dr. King served on the EOF Board for three years as the Commission on Higher Education's representative to the Board. He extended his regrets that he was unable to attend the Board meeting and indicated that he was

extremely honored to receive this recognition. Ms. Harris offered a motion to approve Resolution 14:02. The motion was approved by Mr. Jolly and unanimously approved.

Resolution 15:02 Adoption of Amendments to N.J.A.C. 9A:11-6.12 & 6.13

Resolution 15:02 addresses the adoption of technical amendments to the EOF regulations N.J.A.C. 9A:11-6.12 Academic probation and N.J.A.C. 9A:11-6.13(a) Academic probation/dismissal of EOF students, which were published for notice in the New Jersey Register. These amendments are needed to correct references to other sections of the EOF regulations.

Ms. Harris offered a motion to adopt Resolution 15:02, which was seconded by Mr. Collins and unanimously approved.

Report from the EOF Executive Director

Dr. Lang reported that the Board would be considering the adoption of a very difficult budget for FY2003 and felt it was necessary to provide the Board members as well as the EOF community with a brief history of the EOF budget. When Governor McGreevey made reductions to the current FY2002 budget to close the projected \$2.9 billion deficit, EOF was one of the few programs left untouched. For FY2003, the Governor recommended level funding for EOF and while this is a tough budget situation, in some ways level funding is a victory. Dr. Lang showed the Board a power-point presentation demonstrating the effect of a fifth continuous year of level funding on the average EOF program during the academic year. The impact of inflation on EOF academic year programs using the CPI index is the loss of \$37,000, the equivalent of a professional staff member. Using the HEPI index, programs face the loss of the equivalent of an assistant director, a long-term staff member or two new recently hired staff members. Despite the budget constraints that EOF programs have had to operate under retention and graduation rates have not decreased and a small increase in enrollment occurred in fall 2001.

Resolution 16:02 Approval of Preliminary FY2003 Article III and Article IV Summer Program, Academic Year Article III Undergraduate and Graduate, King & Ferguson Student Grants and Academic Year Article IV Allocations

As a follow-up to Dr. Lang's report, he stated that the Board is being asked to vote on the preliminary FY 2003 institutional funding allocation recommendations of the CHE/EOF Central Office staff. These preliminary funding allocations are based on level funding and distribute the Governor's FY2003 EOF budget recommendations for EOF summer Article III, and summer and academic year Article IV funds, and the King and Ferguson scholarships to institutions. In the case of the Article III academic year student grants, the allocation recommendations considered actual student enrollment and expenditures. Additionally, the allocations also include the summer Article III funding approved by the Board in December 2001, which represent 24% of the total summer Article III allocation and currently provides institutions with "cash on hand" for planning their 2002 summer program.

Dr. Lang called the Board members attention to Attachment A of Resolution 16:02, on page 17, which displayed the balance sheet used to develop the staff recommendations. The preliminary funding recommendations contain a mixture of FY 2002 funds and the recommended budget for FY 2003. The fact that the governor has maintained the language that permits the Fund to carryforward unexpended balances from the previous fiscal year for use in the current fiscal year is one factor that has helped the Board manage the EOF appropriation. The carryforward funds allow the program to operate at a budget level that is slightly higher than the actual appropriation. Attachment A depicts the source of the Article III, Article IV, King and Ferguson scholarship funds as well as the projected balances in each category. The projected balance of \$400,000 in Article III will address potential enrollment fluctuations during the fall semester. In addition, under Article IV

the staff has recommended that \$141,481 be used to address central initiatives, which are state-wide activities supported by the Board and include the student day conference, counselor training institute and the cost of hiring a graduate assistant in the CHE/EOF Central Office. The King and Ferguson scholarships are once again level funded, placing both of these grants at one third of the amount the statute authorizes.

Ms. Harris asked how EOF enrollment numbers look when compared to enrollment last year at this time? Dr. Lang replied that fall 2001 enrollment saw a slight increase of 2%, but because the EOF Board allocates a limited number of slots to each institution it has the ability to control enrollment unlike the tuition aid grant program which is demand driven. It is too early to know what fall 2002 enrollment will look like because programs are still in the process of recruiting students.

Mr. Avery inquired about the impact of level funding the King and Ferguson scholarships on the enrollment of students who wish to pursue degrees in law and medicine. Dr. Lang responded that the institutions have chosen to maintain the number of students served rather than decreasing the number of students admitted to offer the full scholarship. Both scholarships also serve as a match for other sources of financial aid for the students.

Dr. Arce asked about the impact of the governor's FY 2002 30% reduction to the independent colleges and universities budgets as well as the fact that they have a history of being not as well funded as the public institutions. Dr. Lang said that it is difficult to tell because many of the institutions are still wrestling with the impact of that reduction in the current year's budget. However, the Governor's FY2003 budget recommendation returns the thirty percent reduction, thus providing level funding of the independent aid act. The state colleges and universities are facing reductions in the salary programs for FY 2003, which may affect the EOF programs. To date, we have no evidence that institutions are attempting to balance their budgets on the backs of EOF programs. The staff has met with one or two programs in the independent sector that have shared how they would like to reconfigure their programs staffing patterns to remain competitive to attract and retain new staff, not because the institutional funds are being taken away. This will be shared with the Board at the July meeting if it requires Board action.

Dr. Arce followed up by commenting that perhaps the independent sector program directors could provide the Board with public comments regarding the real impact of reduced funding at the July meeting, which would provide Board members with a more thorough understanding of what is taking place on campus.

Mr. Jolly said that evidence of the independent sector's commitment to the program is impressive and can probably be substantiated by the EOF Central Office staff across the sector. This commitment was definitely evident when he visited Steven's Institute of Technology during the Board's retreat last year. However, his concern is how far one structure can bend before it breaks. He added that he is encouraged by the fact that no institution that he is aware of has attempted to use the program as a "whipping board". There appears to be a genuine understanding of the fact that the students served by the EOF program need the extra support they receive, however, some of the programs are probably at that breaking point, as the slides in Dr. Lang's report described.

Mr. Collins stated that numbers are finite and you can only work with what you have; on the other hand it is very important for the educational community in the state to make the elected representatives aware of what is needed and what is done with the EOF money. He added that he is not speaking about platitudes, because he knows that folks in Trenton struggle with a finite number, but there is also a spectacular worth to the EOF Program. The worth of this investment to the state must be made known so that legislators might be better informed when they act on the EOF budget recommendation. As an example he cited a study done at Rutgers some years ago showing what a dollar invested in education does for the state in terms of improving the economy. The point is that if you cut education you cut the economy, as well. It was not finger pointing or critical but pure information. The point is to get the information out and consistently make sure that it is put forward so that the legislators have the benefit of looking at it.

Mr. Havens added a follow-up to Mr. Collins remarks stating that the legislators also need to understand that a general cut in the education budget can be similar to a cut in any area. All companies go through cuts and finite limitations; the difference between the EOF program and everyone else is that for EOF students there are no other options.

Dr. Arce stated that the investment in EOF is that the EOF students tend to stay in the State of New Jersey when they graduate which contributes to the State's economy. When we speak to our legislators we need to make sure that they understand that the EOF students don't leave the State after they earn their degree.

Several directors, Dr. Ann Guillory (Felician College), Dr. Carol McMillian-Lonesome (Seton Hall University), Mr. Trevor Williams (Stevens Institute of Technology), Ms. Evelyn Thomas (Westminster Choir College-Rider Univ.), and Mr. Frager Foster (Cook College-Rutgers University) spoke at length concerning the negative impact on support services and programming that has resulted from level funding.

Ms. Michelle Softley indicated that the county community college sector has received notification that tuition will no longer be level, a practice that has been in place for the last four years. This means that all county college EOF programs will experience a significant increase in tuition for their summer programs. Also, as president of NJEOFPA she stated that everyone can talk about the impact of level funding, but she asked everyone to work with the Association to get that message out to their legislators. The Association cannot rely solely on the Board to get the message out to the legislators.

Dr. Arce once again called for EOF directors to add a civics component to their freshman year orientation courses so that students can begin to understand the political process.

Mr. Havens offered a motion to approve Resolution 16:02 which was seconded by Dr. Arce. The motion was unanimously approved.

Mr. Havens commented that given the uncertainties at both the institutional levels and at the state levels that consideration be given to scheduling a Board meeting in May or June, prior to the July 18, 2002 meeting to address any contingencies or additional planning that may be required, as a result of changes in budgets or allocations. He offered a motion to schedule a Board meeting in June 2002 to address contingency budget plans. The motion was seconded by Mr. Avery and unanimously approved. Dr. Lang stated that he would poll the Board members later when they have access to their calendars to determine a date for this meeting.

New Business

Mr. Avery indicated that a matter of new business for the Board relates to proposed amendments to Article II and Article III of the EOF Board's by-laws that can be found in the Board materials. At this point this is an information item that does not require discussion from the Board at this time and will be addressed at a subsequent meeting.

Comments from EOF Executive Director

Dr. Lang informed the Board that he is engaged in the CHE long-range planning. Mr. Larry Downes of the CHE is leading this effort by meeting with the executive staff of the CHE to lay the groundwork for this statewide planning initiative. It provides the opportunity to reach out to various stakeholders, which includes the Board as the process moves on.

Adjournment

Mr. Harris made a motion for the meeting to be adjourned. The motion was seconded by Mr. Havens and unanimously approved. The meeting adjourned at 5:15p.m.